



Tucson Metropolitan Housing Commission
Housing Resources Subcommittee
Friday November 6, 2015@ 12:00 p.m.
Southwest Fair Housing Council Office
2030 E. Broadway Blvd, Suite 101 Conference Room
Tucson, AZ

Minutes (Un-approved)

1. Call to Order / Roll Call Subcommittee Members present: Pete Chalupsky (PC), Julie Culver (JC) and Jay Young. (JY) Gigi Rodriguez and Jeff Singleton were absent. Kegan Tom has resigned from TMHC so she is no longer on the Housing Resources Subcommittee. TMHC Vice Chair Jay Young was appointed to the Housing Resources Subcommittee by PC to fill Alonzo Morado's (AM) position. PC will follow up with AM to inquire about his desire to continue as a member of the TMHC and/or the Resources Subcommittee. **PC called the meeting to order at 1214 p.m.**
2. Approval of 8-10-5 Minutes and Legal Action Report: There was a typographical error on the published agenda. The Minutes and Legal Action Report that needed to be ratified were from the 8-10-15 Meeting, There was no 8-13-15 meeting. **JC made motion seconded by JY to approve the "8-10-15 Minutes & Legal Action Report" which included the Housing Resources Subcommittee "2-Year action plan". Motion passed 3-0 vote.**
3. Status Report: of 2-Year Action Plan; Need for Additional-Research (1) Regulatory Barriers; PC described research conducted last year on regulatory barriers. It was agreed that information about barriers should be forwarded with the Year-End Activity Report; (2) Feasibility of using "General Obligation Bond financing for affordable housing; PC reviewed the City of Albuquerque Workforce Housing Trust Fund Performance Report. Albuquerque included funding for "Workforce Housing" in a General Obligation Bond Election and it passed. Since 2012, 22,421,504 in Workforce Housing Trust Fund (bond) funds have leveraged 105,647,906 in outside funding; 11 new affordable housing developments and/or rehabilitation projects have been completed and the City is using bond funds to land bank three other sites. For \$1 in bond funds spent \$5 in outside funding was leveraged. Members agreed that the TMHC should recommend that the City of Tucson consider the use of general obligation bond funds in a similar way when and if the City has the bond capacity to do so. (3) Tucson Housing Trust Fund & need for new RFP: PC discussed the idea of using the funds to invest the Arizona Community Foundation Pre-Development Loan Program which is underwritten by the Local Initiatives Support Corporation and/or using the funds for other housing needs in the community. PC advised that HCD Director Stang was concerned that the City had put out an RFP and then the TMHC had voted not to award the funds but instead decided to consider investing the remaining funds in the Tucson Housing Trust Fund in a Pre-Development Loan Program. PC said it is common for City RFP's to reserve the right not to award funds to bidders but he was not involved in the RFP process. The RFP was prepared and solicited by City HCD staff. JC and JY agreed to research what had happened and determine if the right to not award funds clause was included in the RFP and report back. In the meantime it was agreed that the TMHC should make information known about the Arizona Community Foundation's Pre-Development Loan Fund on the TMHC Website; (5) Use of CDFI funding for Gap and/or Property Acquisition funding; PC reported about research conducted and a meeting that was held with Arizona Multi-Bank two years ago. In this meeting, AZ-Multibank staff made it clear that they had money to lend for acquisition of properties and/or other needs but it had been difficult to lend in Tucson in the past because borrowers have not had the required net worth and/or liquidity to secure the loans. The CDFI encouraged TMHC to prioritize housing needs and locate a source to guarantee loans if they wanted to utilize CDFI funding. This method would not require a payment to the CDFI unless a loan defaulted. PC said utilizing CDFI funds for land acquisition might be feasible because the property would secure the vast majority of the loan. JC believes CDFI funds would be best used in cases where the borrower had applied and received a bank loan yet they still needed additional capital to meet the bank's LTV requirement. PC also said the City should consider optioning surplus properties for use in affordable housing projects. Use of Construction Sales Tax Increment. PC agreed to include information about this idea in the Year-

End Activity Report... **PC made motion seconded by JC to include information about these ideas in the TMHC Year End Activity Report. Motion passed 3-0.**

4. No item listed on agenda.
5. Quantification of Tucson's Housing Needs: FY2015-2020 Consolidated Plan and National Low Income Housing Coalition Study Data. PC received an email from John Glaze (Family Housing Resources) and he has spoken to Mike Slania (Pima IDA) and Kelly Smith (Drachmann Institute) regarding a "Gap" Study FHR is conducting to quantify housing supply in the Tucson Metro Area. **Motion made by JY to table the item until the next TMHC meeting. Motion was seconded by JC.**
6. Year End Activity Report Working Group. **JY made a motion, seconded JC to have all subcommittee members work on/review and edit the report that would go to the full TMHC. Motioned passed 3-0.**
7. Planning for Annual Retreat: JY believes selecting the right facilitator will be very important. It was agreed that TMHC needed to focus on process at the next retreat and that members should agree to work collectively on solving one unmet housing need in the community. TMHC is a volunteer board without paid staff or an Executive Director to research and follow up on ideas. PC handed out chart which attempts to clarify process and show responsibilities of Chair, Vice Chair, Subcommittees and expectations of City staff. PC said he will be stepping down as Chair next year PC strongly recommend that TMHC keep subcommittees to 5-members in order to facilitate quorum. He mentioned he has spoken to several applicant s who are interested in becoming TMHC members and that TMHC would again be at full strength soon, but he said the prospective applicants are people who live in Pima County and at all times a majority of TMHC members must reside in the City. **Discussion Only.**
8. New Member "Welcome Packet": Copies of ordinances, key documents, member lists, strategic plans, links to Consolidated Plan and other housing related documents, Request for help from City staff. **PC made motion seconded by JC to request staff assistance with preparation of a new member packet. Motion Passed 3-0.**
9. Pima County/State Housing News/Arizona Housing Alliance Participation; ADOH JC and PC attended the Annual ADOH Conference and LIHTC QAP Hearing in Tucson; JC reported that the QAP had been revised to add back points for new construction if site plan has been approved and small amount of points for local government contribution. Preservation, high speed transit ad rural projects seem to be priority this year. It appears it will be difficult to secure funding for rehabilitation projects something the City needs because of the age of its existing rental stock. The Final ADOH QAP hearing is scheduled for November 13th. In Phoenix. AHA News, AHA is merging with Arizona Coalition to End Homelessness; and they are requesting feedback on the merger from members, PC attended golf event and annual meeting... TMHC member Jim Tofel was added to the AHA Board. PC reported that all Pima County Bond Initiatives including #429, which included \$20 million for affordable housing were defeated in the November 3rd election. PC speculated that anti-government sentiment seemed to trump bond advocates in this low turn-out election. **Discussion Only**
10. Future Agendas/Call to the Audience/Announcements/Adjournment: It was agreed that the subcommittee should continue to work year end activity report. No future agenda items reported at this time. There were no guests for call to the audience. **JY made motion, JC seconded to adjourn the meeting at 1:55 p.m. Motion passed 3-0.**